2001 ECSC operating budget

2000/2060(BUD) - 21/06/2000 - Council draft budget

PURPOSE : To present the draft ECSC operating budget for 2001. CONTENT : The draft ECSC is set out in its economic, policy and financial context. Economic context - inland deliveries of hard coal in Member States came to 248.8 million tonnes, some 14.6 million tonnes (5.6%) less than in 1998. The forecast for deliveries for 2000 is a drop of 3.8% on the figure for 1999. The forecasts for the production of hard coal show a continuing decline, by about 14%, which will concern all producer countries. Imports for 1999 from non-Community countries were estimated at 152.9 million tonnes, with no substantial change from 1998, representing 60% of the total availability of the Member States. Total coke production too continued to drop. With regard to the steel industry, in 2000 the favourable trends of the second half of 1999 should grow stronger on the Community steel market, with firmer demand, output up on 1999 and prices remaining buoyant. Economic and policy context - with regard to financial activities, at 31 December 1999 outstanding borrowing came to EUR 2 432 million and outstanding loans to EUR 2 473 million. The guarantee fund was increased by EUR 23 million. As the levy was reduced to 0% as from January 1998, the budgetary approach from 1998 onwards has been to finance all the requirements identified for social aid and to adjust the level of research aid in order to ensure optimum continuity of financing. . Draft ESCS operating budget for 2001 - it is assumed that the ECSC levy will be 0% in 2001. ECSC resources will then consist of the net balance, miscellaneous revenue, cancellations of commitment and funds drawn from the provisions to finance the operating budget. The net balance for 2001 is estimated at EUR 48 million. The miscellaneous revenue relates to debt repayments of an estimated EUR 3 million. The cancellation of commitments not likely to be implemented comes to EUR 36 million. To balance this budget, EUR 103 million will have to be withdrawn from the provisions which were set up as a precaution to offset the disappearance of the levy. Requirements - The Commission's proposals are as follows: -EUR 5 million for administrative expenditure -EUR 109 million for social aid -EUR 76 million for research expenditure The draft ECSC operating budget for 2001 established on this basis comes to EUR 190 million and is presented by means of a table attached to the document.